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Attorneys for Chapter 11 Debtors and
Debtors in Possession

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SAN FERNANDO VALLEY DIVISION

In re

Irwin Naturals *et al.*,

Debtors and Debtors
in Possession.

Case No. 1:24-bk-11323-VK

Chapter 11

Jointly Administered with:

Case No. 1:24-bk-11324-VK
Case No. 1:24-bk-11325-VK
Case No. 1:24-bk-11326-VK

- ☐ Affects Irwin Naturals
☐ Affects Irwin Naturals Inc.
☐ Affects 5310 Holdings, LLC
☐ Affects DAI US HoldCo Inc.
☒ Affects All Debtors

**DECLARATION OF KLEE IRWIN IN
SUPPORT OF DEBTORS' THIRD MOTION
FOR AUTHORITY TO (A) USE CASH
COLLATERAL AND (B) GRANT
REPLACEMENT LIENS**

Hearing:

Date: August 28, 2025
Time: 2:00 p.m.
Place: Courtroom 301
21041 Burbank Blvd
Woodland Hills, CA 91367

1 I, Klee Irwin, declare as follows:

2 1. I am the founder and Chief Executive Officer of Irwin Naturals, a Nevada corporation
3 (“Irwin Nevada”), Irwin Naturals, a British Colombia corporation (“Irwin Canada”), and DAI US
4 HoldCo Inc. (“DAI”), and the founder and principal of 5310 Holding, LLC (“5310,” and collectively
5 with Irwin Nevada, Irwin Canada, and DAI, the “Debtors”). I know each of the following facts to be
6 true of my own personal knowledge, except as otherwise stated, and if called as a witness, I could
7 and would competently testify with respect thereto.

8 2. I submit this declaration in support of the *Debtors’ Third Motion for Authority to (A)*
9 *Use Cash Collateral and (B) Grant Replacement Liens* [Doc. No. 773] (the “Cash Coll Motion”)
10 filed by the Debtors. Any capitalized word not defined in this declaration has the same meaning as
11 set forth in the Cash Coll Motion.

12 3. The sale of the Debtors’ business to FitLife Brands, Inc. (“FitLife”) closed on August
13 8, 2025. My understanding is that under the terms of the then-existing cash collateral order, the
14 Debtors’ use of cash collateral terminated as of the date of the sale closing. I am informed that the
15 Debtors have attempted to negotiate in good faith with the Debtors’ secured creditor, East West
16 Bank, as agent (“EWB”); however, the parties have not been able to agree upon cash collateral use.

17 4. As set forth more fully in the Cash Coll Motion, on August 11, 2025, the Debtors
18 paid EWB \$23,247,134.75 on account of its alleged claims while reserving rights. That payment was
19 in addition to \$900,000 in principal payments paid to the Lenders by the Debtors post-petition and
20 \$1,500,941 in post-petition interest. The Debtors have paid EWB \$25,658,075.80 post-petition (on a
21 loan that was estimated at \$19 million on the petition date). The Lenders have been paid in full, and
22 to the extent that EWB has unpaid and unbilled professional fees, it can present that bill to the
23 Debtors and they will pay that bill in full.

24 5. Although the sale has closed, the Debtors have retained three employees as there are
25 still closing related tasks they must perform and various other administrative obligations they must
26 perform, and the Debtors are responsible for paying for certain employees that are currently working
27 for FitLife under a transition services agreement (“TSA”). Not only are the Debtors obligated to
28 perform under the TSA (including the payment of wages for certain employees that have been hired


1 by FitLife but are providing transition services to the Debtors), the Debtors are in the middle of
2 multiple audits (one involving their 401(k) and multiple involving the IRS), they have to work with
3 their accountant on their 2024 tax returns (and multiple earlier state and federal tax returns that must
4 be amended in order to address various disputed claims filed by multiple taxing agencies), and
5 because the Debtors sold their email and various records, the Debtors urgently must purchase
6 supplies and services relating to establishing and maintaining new email accounts and their records
7 (the Debtors must also maintain a copy of all of their records to comply with litigation document
8 holds, complete the multiple pending audits, claim objections, etc.). The Debtors also have severance
9 to be paid to five employees terminated on August 8, 2025 as they were not hired by FitLife.

10 6. EWB did consent to the Debtors paying August 22, 2025 payroll, which had to be
11 funded by August 18, 2025. However, the Debtors' next payroll must be funded by September 2,
12 2025 and the Debtors must reimburse FitLife under the TSA for certain other employees that
13 continue to do work for the estates.

14 7. Given the substantial cash held by the estates, I do not believe that any creditor or
15 party in interest will be prejudiced by the relief requested in the Cash Coll Motion.

16 I declare under penalty of perjury under the laws of the United States of America that the
17 foregoing is true and correct and that this declaration is being executed this 27th day of August, 2025,
18 at Topanga, California.

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Klee Irwin

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
21650 Oxnard Street, Suite 500, Woodland Hills, CA 91367.

A true and correct copy of the document(s) entitled: **DECLARATION OF KLEE IRWIN IN SUPPORT OF DEBTORS' THIRD MOTION FOR AUTHORITY TO (A) USE CASH COLLATERAL AND (B) GRANT REPLACEMENT LIENS** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the document(s) were served by the court via NEF and hyperlink to the document. On **August 27, 2025**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL: On _____, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **August 27, 2025**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Served via email on EWB's counsel, committee counsel and UST counsel:

efay@wsgr.com

jgolden@go2.law

kate.bunker@usdoj.gov

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

August 27, 2025

JESSICA STUDLEY

/s/ Jessica Studley

Date

Printed Name

Signature

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

- Kyra E Andrassy kandrassy@raineslaw.com, bclark@raineslaw.com;csantiago@raineslaw.com
- Jessica L Bagdanov jbagdanov@bg.law, ecf@bg.law
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